INFORMATION LETTER

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1952 Canners Directory Mailed This Week to Members

Mailings of the 1952 *Canners Directory* were started this week to members of the N.C.A., and to others who had placed advance orders for copies. Complimentary copies are being sent also to the state, regional and commodity association secretaries and to certain of the personnel of the can companies who had given assistance in compilation of the data. Special orders for members of the Canning Machinery & Supplies Association also were filled in the first mailings.

The *Directory* carries its usual departments: Lists of canners, giving headquarters address, plants and locations and products packed in each; an over-all commodity index; listings of the membership of the Canning Machinery & Supplies Association and the National Food Brokers Association; officers, directors, committees and staff of the N.C.A.; and officers and business addresses of the state, regional and commodity canners associations and of the distributor, supply and other associations.

Work on the compilation and preparation of the publication has been continuous in the Information Division since the first part of February when first data forms were sent out.

Senate Votes Extension of Controls without Automatic Formula for Suspension

The Dirksen amendment providing for suspension of price control on agricultural and fishery commodities unless certified to be in short supply was defeated in the Senate on June 4 by a vote of 33 to 44. The action was taken in the course of Senate consideration of the bill, S. 2594, to extend the Defense Production Act from June 30 of this year until February 28, 1953. Debate of plant seizure proposals and issues surrounding the current steel controversy prolonged Senate consideration of the measure, and final Senate action on the bill is not expected until early next week.

The defeat of the N.C.A. recommendation followed immediately after Senate rejection of an amendment proposed by Senator Capehart (Ind.) that would have suspended all price and wage controls until and unless the cost of living index rose three points. The Capehart amendment was defeated 22-to-57. An amendment sponsored by Senator Holland (Fla.) banning price controls on fresh fruits and vegetables was adopted by a voice vote.

By a one-vote margin the Senate adopted provisions for the establishment of a new Wage Stabilization Board composed of labor, management, and public members, each of whom is to be subject to Senate confirmation. The new Board would have authority only over labor-management controversies involving wages, salaries, and other compensation.

Because of opposition to the Fulbright amendment to the Walsh-Healey Act, Senator Fulbright (Ark.)

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Moorhouse Elected Chairman of N.C.A. Executive Committee

The N.C.A. Executive Committee has held an organization meeting since adjournment of the Board of Directors and has elected Ivan Moorhouse, Olympia Canning Co., Olympia, Wash., to serve as Chairman.

Members of the Executive Committee are Robert A. Friend, Friend Brothers, Inc., Melrose, Mass.; James M. Shriver, The B. F. Shriver Co., Westminster, Md.; and the three elected at the May, 1952, meeting—Mr. Moorhouse; George Gooding, California Packing Corp., San Francisco; and A. O. Verbeke, Libby, McNeill & Libby, Chicago.

1952 Production of All Foods May Set New Record High; Demand Expected to Continue High, with Prices Stable

Food supplies for the next few months are expected to be at least as large as in the same period of 1951. Somewhat larger supplies of beef and veal, poultry products, canned fruit, and processed vegetables will be available than a year earlier, but supplies of pork, butter, and summer oranges will be somewhat smaller. The forecast is made by the Bureau of Agricultural Economics in *The National Food Situation*.

The over-all level of retail food prices probably will continue relatively stable although the prices of some foods will change with seasonal variations in supplies, according to BAE.

Food production may set a new record this year. Marketings of livestock products probably will be larger than in 1951, and as of May 1 the prospects for crops were brighter than a year earlier. Total military takings of food probably will differ relatively little from the quantities purchased in 1951. Food exports in 1952, however, may amount to less than 1951.

Estimates of the relative volume of production of the various types of processed fruits and vegetables for 1951 and 1952, with percentage com-

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Amortization in Renegotiation

A subcommittee of the House Committee on Ways and Means is conducting closed hearings on a bill, H. R. 3733, which would disallow the amortization of the emergency facilities deduction under Section 124A of the Internal Revenue Code as an item of cost in determining profits under the Renegotiation Act of 1951. The subcommittee is headed by Representative Jere Cooper (Tenn.).

TRAFFIC

Heavy Carloading Exceptions

General permits for exception to the heavy carloading order have been extended by the Interstate Commerce Commission through November 30, the same date on which the heavy loading order is now scheduled to expire.

The ICC this week extended the following general permits to S.O. 878:

Carload Import Freight (2d Rev. Gen. Permit 1-F)—"Permission is granted for any common carrier by railroad subject to the Interstate Commerce Act to disregard the provisions of Service Order No. 878 insofar as they apply to carload import freight moving first by water on the high seas to a port in the continental United States and thence by rail in a single car, or moving first by water on the high seas to a port in the continental United States, thence by an inland water carrier to another point in the continental United States, and thence by rail in a single car to destination when, in either case, such carload freight moves as a complete order from both the point it is first shipped by water and the point it is reshipped by rail, when such cars are loaded to at least 36,000 pounds or more."

Barrels or Drums (Rev. Gen. Permit 2-F)—"Permission is granted . . . to disregard the provisions of S.O. 878 insofar as they apply to any car loaded with any commodity named in Appendix A in barrels or drums weighing 500 pounds or more when such barrels or drums are loaded on end one tier high covering the entire floor space of the car, and/or in barrels or drums weighing less than 500 pounds loaded on end not less than two tiers high covering the entire floor space of the car."

Mixed Commodities (Corr. Gen. Permit 3-F)—"Permission is granted . . . to disregard the provisions of S.O. 878 insofar as they apply to any car loaded with mixed commodities including commodities named in Appendix A when the volume of commodities named in Appendix A is 33⅓ percent or less by weight of the total weight of the shipment."

Cartons (Rev. Gen. Permit 4-F)—"Permission is granted . . . to disregard the provisions of S.O. 878 insofar as they apply to carload freight consisting of commodities named in Appendix A when packed in glass in cartons, in tin in cartons; in paperboard, fiber, cellophane, and/or plastic containers in cartons; in bags, barrels, boxes, and/or mats, in mixed carloads when such cars are loaded to at least 60,000 pounds or more."

Fish (Gen. Permit 5-F)—"Permission is granted . . . to disregard the provisions of S.O. 878 insofar as they apply to fish, not fresh, not frozen, packed in tierces, which must be protected by ice en route."

Carload Freight (Gen. Permit 6-F)—"Permission is granted . . . to disregard the provisions of S.O. 878 insofar as they apply to carload freight moving first by water in coastwise or intercoastal service to a port in the continental United States, and thence by rail in a single car, or moving first by water in coastwise or intercoastal service to a port in the continental United States, thence by an inland water carrier to another point in the continental United States, and thence by rail in a single car to destination when, in either case, such carload freight is loaded to at least railroad tariff minimum at the point it is reshipped by rail."

Special 30-day permits for exception to the carloading order may be obtained upon application to Howard S. Kline, ICC Permit Agent.

Demurrage on Freight Cars

Effective May 31, Saturdays again are to be included in computing demurrage on all railroad freight cars, under terms of Amendment 3 to ICC Revised Service Order No. 856. The expiration date of that order has been postponed to November 30. The order had been under suspension since April 16.

Laboratory Issues Added Report on Factory Waste

The N.C.A. Washington Laboratory has just issued another in its series of special reports on technological subjects, this one being Research Report No. 1-52, entitled "Anaerobic Digestion of Pea and Corn Wastes: II—1951 Studies". Copies are available on request to the N.C.A. Research Laboratories in Washington.

This report gives further results in a study described in an earlier report (No. 1-51) on the same subject. A number of additional facts were developed in the 1951 studies. For one thing, it was found that sludge solids are difficult to maintain in an anaerobic treatment unit, and to be practical the operation should probably not be dependent on presence of such solids. However, there were indications that this is not an indispensable condition. Another promising finding was that the effectiveness of the operation is considerably increased by small additions of sodium nitrate, less than would be required in lagoon treatment.

The report describes the full-scale treatment in which the experimental work has been done, and gives detailed data on the year's results.

CONGRESS

Trucks Hauling Perishables

The Senate on June 2 passed and sent to the House S. 2357 with an amendment which would broaden—rather than restrict—the application of the agricultural and fish exemption for motor carriers in the Interstate Commerce Act.

As introduced by Senator Johnson (Colo.) in January, S. 2357 would have narrowed the present exemption. It would have permitted farmers and fishermen to continue to haul unprocessed agricultural commodities and fish to market in trucks free of ICC regulation but would have required ICC control over those trucks if they carried a payload on the same trip or on a return trip (see INFORMATION LETTER of March 8, page 121).

S. 2357 was reported by the Senate Committee on Interstate and Foreign Commerce on May 29 with an amendment which struck out the language of the original bill. The Committee reported that "objections to the original S. 2357 were made by representatives of numerous agricultural and other organizations."

As reported by the Committee and as passed by the Senate, S. 2357 would make clear that the existing total exemption for trucks controlled and operated by farmers and fishermen should also apply to their shipments of "horticultural" products.

Defense Production Act

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proposed a compromise which was adopted by the Senate. The compromise amendment provides only for review of Walsh-Healey Act decisions through the procedures of the Administrative Procedures Act. Thus the proposed change in the "open market" exemption in the Walsh-Healey Act was dropped (see INFORMATION LETTER of May 29, page 191).

The House Committee on Banking and Currency again postponed executive consideration of the various proposals for amending and extending the Defense Production Act that were presented to it during the course of the recent public hearings. Originally scheduled to begin writing an extension bill on June 2, the House Committee deferred action to June 5, and then decided to wait until June 9. Evidently, the House Committee wishes to wait for the Senate to pass its measure before taking action.

Agriculture Appropriations

The Senate Committee on Appropriations has recommended that special funds of $600,000 be appropriated to the Bureau of Animal Industry, USDA, to permit the employment during fiscal 1953 of the present meat inspection forces without resorting to the levying of assessments against meat packing establishments.

The $600,000 figure exceeds 1952 appropriations for the meat inspection service by $420,000.

The $600,000 increase is part of a $7,022,771 increase recommended by the Committee in reporting the Agricultural Appropriations bill, H. R. 7314, on May 29. The Committee recommended total appropriations for USDA of $731,608,470.

DEFENSE

Legal Minimums

National legal minimum prices for fruits and vegetables for processing as of May 15 were announced this week by the Production and Marketing Administration, USDA.

The legal minimum prices for vegetables for processing as of May 15 were identical with those announced for April 15 (see INFORMATION LETTER of May 3, page 167). The legal minimum prices are the parity prices for each vegetable except asparagus.

When compared with the legal minimum price for each vegetable a year ago, May 15, 1951, the changes are negligible except for asparagus, up $14 a ton. Legal minimum prices for five of 11 vegetables showed declines from a year ago.

Of the fruits and berries for processing, legal minimum prices for May 15, 1952, are generally little changed from a year earlier, with about half registering declines.

Catsup and Chili Sauce Bottles

Manufacturers of catsup and chili sauce bottles have been authorized to continue to charge higher prices for these containers during the bottling season, April 1 through October 31. By Amendment 1 to SR 99 to the GCPR, these products may be priced at 104 percent of the GCPR price plus 15 cents a gross during the 1952 bottling season and subsequent bottling seasons.

GOR 30—Delivered Prices

A method by which any canner may calculate ceiling prices on a delivered basis is provided by GOR 30, issued June 4 and effective June 9.

The use of GOR 30 is optional with any canner. It was issued, OPS said, to enable processors still under the GCPR or CPR 22 to calculate ceilings on a delivered basis.

In making the calculation, the manufacturer will first determine what it would have cost him to ship an item or a combination of items to a particular zone or area during a previous 12-month period. He will then divide this amount by the amount of his net sales of the item or combination of items during the same period. This will give a freight adjustment factor per dollar of sales which, when multiplied with the f.o.b. price for an item, will result in the amount which may be added to the f.o.b. price to convert it to a delivered price.

STANDARDS

FDA Definition of Canned Red Sweet Peppers

By an amendment to regulations prescribing standards of identity for a group of canned vegetable products, the Food and Drug Administration has clarified an apparent omission in the list of optional forms of canned red sweet peppers. The correction recognizes "whole; halves or halved; pieces" as optional forms of this canned product. Following is the text of the FDA correction as published in the *Federal Register* of May 16:

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Federal Security Agency

PART 52—CANNED VEGETABLES OTHER THAN THOSE SPECIFICALLY REGULATED; DEFINITIONS AND STANDARDS OF IDENTITY

Correction

In F. R. Doc. 48-9571, appearing at page 6377 of the issue for Saturday, October 30, 1948, the following change should be made:

In the table under § 52.990(b) the optional forms of vegetable ingredient "whole; halves or halved; pieces" should appear in column III opposite the items "Red sweet peppers" and "Red-ripe pods of the sweet pepper plant" in column I and II, respectively.

DEATH

William Kinnaird

William Kinnaird, 70, prominent Michigan cherry canner and active for many years with the National Canners Association, died in a Traverse City hospital, May 31, following a long illness.

Born in Scotland in 1882, Mr. Kinnaird's brogue and vigorous personality were conspicuous in many state and national canning activities. Following his boyhood in Scotland, he had attended a naval academy in England and after graduation served as deck officer on Cunard liners traveling between England and ports of the world.

In 1908 he married Ann McKendrick of Chicago and took an interest in cherry canning enterprises in Sturgeon Bay, Wis., and Traverse City. In June, 1939, he took over as general manager of the Traverse City Canning Co., becoming president also a little later. He held both these positions at the time of his death.

A past president of the Michigan Canners Association, he had also served as Chairman of the N.C.A. Cherry Section in 1940 and 1941; member of the Board of Directors, 1943-45; member of the Sugar Advisory Committee to the Planning Committee in 1946; Chairman of the Convention Committee in 1947 and member of that group in 1948 and 1950.

PUBLICITY

Parade Magazine

"Three Thrifty Dishes," featuring canned meats, was the food article in the June 1 issue of *Parade*, the Sunday pictorial magazine, which has a circulation of over 5,000,000.

Beth Merriman, food editor, began her article: "Two days to pay day—and the food budget looks mighty slim! That's the time to build a menu around a can of meat. Add a few inexpensive ingredients and serve it as a hearty salad, or hot main dish."

The canned meats featured in the article were ham and liver spreads, corned beef hash, and luncheon meat. The three dishes were shown in black-and-white photographs.

1952 Production of All Foods

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parisons, are shown in the following table:

Commodity	—Production— 1951 Prel.	1952 Indicated	1952 as a Percentage of '51
	(millions of pounds)		*(percent)*
Canned vegetables	7,812	7,000	90
Canned fruit	3,116	2,800	90
Canned fruit juices	2,450	1,950	80
Dried fruit	933	n.a.	...
Frozen fruit	802	900	112
Frozen vegetables	770	700	91
Baby food vegetables	503	550	109
Canned fish	470	.....	...

n.a.—not available.

For 1952 as a whole, civilian food consumption per capita is expected to equal and perhaps slightly exceed the 1951 rate, which was 11 percent above the prewar average.

Estimates of the apparent civilian per capita consumption of processed fruits and vegetables for 1951 and 1952, with percentage comparisons, are shown in the following table:

Commodity	Per Capita —Consumption— 1951 Prel.	1952 Indicated	1952 as a Percentage of '51
	(pounds)	*(pounds)*	*(percent)*
Fresh vegetables [1]	254	247	97
Fresh fruits	119.4	115	96
Canned vegetables	41.5	42.0	101
Canned fruit	18.8	19.7	105
Canned fruit juices	14.8	13.4	91
Frozen fruit	4.7	5.3	113
Dried fruit	4.6	n.a.	...
Frozen vegetables	4.1	4.0	98
Canned fish	6.4	n.a.	...

[1] Does not include potatoes, sweet potatoes, and dry edible beans and peas. n.a.—not available.

Domestic demand for food is likely to continue fairly strong throughout the year, reflecting the continued buildup in national defense expenditures and consumer incomes, BAE said. But with food supplies large and the likelihood of increased output of other consumer goods, no significant change in the general level of retail food prices appears likely for the remaining months of 1952.

In its report on *The National Food Situation*, BAE also stated:

Fruits

Supplies of canned fruits from the record 1951 packs are sufficiently large to permit civilians to consume more of these commodities per person in the next few months than they did a year earlier.

Canned fruit juice supplies, especially of citrus products, are somewhat smaller at this time than the very large supplies of a year earlier. However, they are sufficient to meet anticipated consumer demand at about present prices during the spring and summer of this year.

The pack of Florida canned citrus juices thus far in the 1951-52 season is about one-fifth below that of a year earlier.

Vegetables

Civilians apparently have consumed somewhat larger quantities of commercially canned and frozen vegetables thus far in 1952 than a year earlier.

Retail prices of the major processed vegetables during the first three months of this year averaged moderately lower than in the first quarter of last year, according to BLS reports, and probably will be no higher than the comparable 1951 prices through early summer.

The 1952 packs of commercially processed vegetables, especially the canned products, may not total quite as large as last year's, according to present indications.

Supplies will be sufficient, however, to maintain civilian per capita consumption of canned vegetables at a high rate during the remainder of 1952 and provide for adequate carryover stocks into 1953. Retail prices of commercially processed vegetables this year are expected to average about the same as in 1951.

PERSONNEL

Willkie Takes New Post

E. E. Willkie has resigned from Libby, McNeill & Libby, Chicago, and has accepted the presidency of Pacific American Fisheries, Inc., with headquarters in Bellingham, Wash.

MEETING

Sullivan Addresses Label Men

C. Meryl Sullivan, Director of the N.C.A. Labeling Research Division, addressed the Label Manufacturers National Association May 31 at its annual spring conference and board of directors meeting. Title of Mr. Sullivan's address was "Descriptive Labeling—the Consumer's Guide to Better Products."

Invitations for Bids

Quartermaster Purchasing Offices—111 East 16th Street, New York 3, N. Y.; 1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act may apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The QMC has invited sealed bids to furnish the following:

JELLIES—2,490 dozen 1-lb. jars each of blackberry, strawberry, red raspberry, and Concord grape jellies, f.o.b. destination. Bids due at Chicago under QM-11-009-52-1509 by June 12.

The VA has invited sealed bids to furnish the following:

HAM CHUNKS—1,420 dozen 34-oz. cans or 1,609 dozen 30-oz. cans or 1,724 dozen 28-oz. cans of ham chunks, f.o.b. destination. Bids due under S-250 by June 12.

PEA PUREE—4,000 dozen No. 2 cans or equivalent in No. 2½ or No. 10 cans, f.o.b. destination. Bids due under S-258 by June 16.

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